



JON M. HUNTSMAN, JR.
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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 2, 2008

Brook Knotts
Knotts & Co.
P.O. Box 1335
Salem, Utah 84653

Subject: Permit to Commence Small Mining Operations, Knotts & Co., Sevier Mining Claim #1-8 Mine, S/041/0038, Sevier County, Utah

Dear Mr. Knotts:

The Division finds your notice of intention (Notice) complete and approves the reclamation surety for the Sevier Mining Claim #1-8 mine. You are now permitted to conduct small mining operations on one acre as outlined in the Notice provided you have written approval from the Forest Service and any other appropriate agency. Attached for your records are copies the of the 'approved' Notice, surety and reclamation contract.

Please keep in mind the following regulatory requirements.

- The Division must be notified no later than 30 days after beginning mining operations.
- Mining disturbance is only allowed in the area identified in the Notice and Reclamation Contract.
- Stockpiling topsoil material prior to beginning activities will help ensure successful revegetation. Even the first few inches of undeveloped material are worth saving to aid in later revegetation efforts, and future regulatory surety release.
- If you encounter any archaeological or historical items, you are asked to notify this office and State History of your find.
- Permit fees are due July 30.
- Annual reports are due by December 31st.
- The reclamation surety will be reviewed every 3 years.
- The Division request that the disturbed area boundary (including assess/haul roads) be marked with metal T-posts to identify the area permitted for mining.
- You must also follow the conditions of your Stream Alteration Permit that was approved April 4, 2008.


080003



Page 2 of 2
Brook Knotts
S/041/0038
May 2, 2008

The Division's web page at <http://ogm.utah.gov/> under the Mining Program has a link to the rules you are expected to operate under and other information to assist you in complying with program requirements. Thank you for your cooperation. In reply, please refer to file number S/041/0038. If you have questions or concerns regarding this letter, please contact me at (801) 538-5258 or Lynn Kunzler at 538-5310. Best wishes with your mining venture.

Sincerely,

A handwritten signature in black ink that reads "Susan M. White". The signature is fluid and cursive, with the first name "Susan" being more prominent than the last name "White".

Susan M. White
Mine Program Coordinator
Minerals Regulatory Program

SMW:lk:pb
Task ID#2251
Attachment: Approved SMO Notice, RC & surety forms
cc: Rob Ernst, Forest Service w/Encl
P:\GROUPS\MINERALS\WP\M041-Sevier\S0410038-SevierMiningClaim1-8\final\apv1-04232008.doc